



April 12, 2002

Ms. Blanca Bayo  
Director of Records and Reporting  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

020332 -E1

Re: Depreciation Rates for Sanford Unit Number 5 and Ft. Myers Combined Cycle Unit

Dear Ms. Bayo:

Florida Power & Light Company (FPL) requests Commission approval to begin depreciating the Sanford Unit Number 5 (Sanford Unit) using the Whole Life Depreciation Rates currently approved for Martin Power Plant, Unit No. 4 and Common effective with the in-service date of the unit. The Sanford Unit is a repowered unit and was not part of the rates approved in Order Nos. PSC-99-0073-FOF-EI and PSC-99-0958-FOF-EI issued January 8, 1999 and May 11, 1999, respectively, in Docket No. 971660-EI. In addition, FPL requests the use of the rates approved for the Ft. Myers site to be expanded to include the six heat recovery steam generators (HRSGs) and the steam turbines which are to go in service in June 2002.

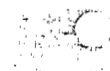
The Sanford Unit repowering involves the installation of four combustion turbines and related HRSGs to supply steam to the existing steam turbine located at the Sanford Plant Site. The new installation will add approximately 567 megawatts of generation at the existing site. The combustion turbines are manufactured by General Electric Company and are anticipated to be in service in June 2002.

The Sanford Unit is similar to the units installed at Martin Unit No. 4. Martin Unit No. 4 was placed in service in 1994 and had depreciation rates last approved by the Commission in April 1999. The whole life depreciation rates approved for Martin Unit 4 and Common will provide a realistic capital recovery plan until depreciation studies of the Sanford Unit can be prepared and reviewed and approved by the Commission. The application of whole life rates for these new units is appropriate since they have not accumulated any depreciation and, being new units, have a remaining life equal to the whole life.

DOCUMENT NUMBER-DATE

04172 APR 15 98

FPSC-COMMISSION CLERK

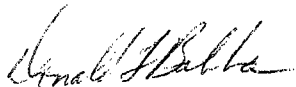


On September 15, 2000, FPL filed for a request for approval to begin depreciation on its Ft. Myers Repowered Plant using the whole life depreciation rates currently approved for the Martin Plant Unit No. 4 and Common, effective with the in service dates of the Units. In Order No. PSC-00-2434-PAA-EI, Docket No. 001437-EI, the Commission approved "Florida Power & Light's request that the underlying whole life depreciation rates prescribed for Martin Unit No. 4 and the Common, be applied to the six new combustion turbine units to be installed in Ft. Myers." Therefore, FPL requests that the Martin Plant Unit No. 4 and Common depreciation rates approved for the six combustion turbine units be used for the HRSGs, the reconditioned steam turbines, and remaining assets which will be moved from the Steam Function to Other Production with the in service date of the Combined Cycle Unit. The Combined Cycle Unit is expected to go in service in June 2002.

FPL will prepare and file a site specific depreciation and dismantlement study for the Sanford Unit and the Ft. Myers Units as soon as possible after the units have been placed in service and the plant dollars have been unitized. The use of these rates for this period should not significantly affect future recovery over the life of the repowered units.

In summary, FPL proposes to use the whole life depreciation rates approved for Martin Unit 4 and Common until such time as the site specific depreciation rates for the Sanford Unit No. 5 and Common and the Ft. Myers Combined Cycle Unit become effective. Attached is a copy of the summary schedule for the most recent change in depreciation rates submitted by FPL in Docket No. 971660-EI and subsequently approved by the Commission for the Martin Combined Cycle Plant in Order no. PSC-99-0073-FOF-EI dated April 8, 1999. If you or your staff have any questions, please contact me at (305) 552-4790.

Sincerely,



Donald L. Babka  
Director Regulatory and Tax

cc. Pat Lee  
William G. Walker, III

Attachment

SCHEDULE I

FLORIDA POWER & LIGHT COMPANY  
PLANT & RESERVE BALANCES  
BALANCES AT 12/31/97

\*\*\* Existing Rates \*\*\*

\*\*\* Proposed Rates \*\*\*

Account Number	Account Description	Plant Balance At 12/31/97	Reserve Balance At 12/31/97	Reserve Ratio	Reserve Ratio						Estimated Annual Accrual	Service Life						Estimated Annual Accrual	Change In Annual Accrual
					When Approved	Average Life	Service Life Remaining	Net Salvage	Whole Life	Remaining Life		Depreciation Rate	Average Life	Service Life Remaining	Net Salvage	Whole Life	Remaining Life		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
<b>Martin Combined Cycle Common</b>																			
341.	Structures & Improvements	\$40,062,842	\$10,028,672	25.03%	16.4%	22.0	20.0	-2.0%	4.6%	4.3%	\$1,722,702	21.0	17.8	-4.0%	5.0%	4.4%	\$1,762,765	\$40,063	
342.	Fuel Holders, Producers and Accessories	\$3,512,616	\$751,752	21.40%	18.5%	23.0	21.0	-2.0%	4.4%	4.0%	\$140,505	22.0	19.0	0.0%	4.5%	4.1%	\$144,017	\$3,512	
343.	Prime Movers	\$34,619,980	\$12,426,790	35.89%	19.9%	6.6	5.1	-2.0%	15.5%	16.1%	\$5,573,817	8.8	6.6	-2.0%	11.6%	10.0%	\$3,461,998	(\$2,111,819)	
344.	Generators	\$0	\$0	0.00%	0.0%	0.0	0.0	0.0%	0.0%	0.0%	\$0	0.0	0.0	0.0%	0.0%	0.0%	\$0	\$0	
345.	Accessory Electric Equipment	\$4,676,011	\$1,163,943	24.89%	18.4%	25.0	24.0	-1.0%	4.0%	3.4%	\$158,984	25.0	21.0	-1.0%	4.0%	3.6%	\$168,336	\$9,352	
346.	Miscellaneous Power Plant Equipment	\$4,079,523	\$1,308,545	32.08%	16.9%	12.6	11.1	-1.0%	8.0%	7.6%	\$310,044	12.6	9.1	0.0%	7.9%	7.5%	\$305,964	(\$4,080)	
<b>Total Martin Combined Cycle Common</b>		<b>\$86,950,972</b>	<b>\$25,679,702</b>	<b>29.53%</b>	<b>17.8%</b>	<b>11.2</b>	<b>9.6</b>	<b>-2.0%</b>	<b>9.1%</b>	<b>8.8%</b>	<b>\$7,906,052</b>	<b>13.4</b>	<b>10.7</b>	<b>-2.0%</b>	<b>7.6%</b>	<b>6.8%</b>	<b>\$5,843,080</b>	<b>(\$2,062,972)</b>	
<b>Martin Combined Cycle Unit 3</b>																			
341.	Structures & Improvements	\$1,947,931	\$655,677	33.66%	27.9%	25.0	24.0	-2.0%	4.1%	3.1%	\$60,386	24.0	21.0	-4.0%	4.3%	3.3%	\$64,282	\$3,896	
342.	Fuel Holders, Producers and Accessories	\$867,253	\$127,317	14.68%	5.8%	21.0	19.4	-2.0%	4.9%	5.0%	\$43,363	21.0	17.4	0.0%	4.8%	4.9%	\$42,495	(\$668)	
343.	Prime Movers	\$149,522,435	\$22,853,000	15.28%	2.8%	17.3	15.8	-2.0%	5.9%	6.3%	\$9,419,913	18.7	15.3	-2.0%	5.5%	5.7%	\$8,522,779	(\$897,134)	
344.	Generators	\$24,476,950	\$4,161,034	17.00%	8.8%	25.0	23.0	-2.0%	4.1%	4.1%	\$1,003,555	24.0	21.0	0.0%	4.2%	4.0%	\$979,078	(\$24,477)	
345.	Accessory Electric Equipment	\$19,069,742	\$4,628,353	24.27%	10.5%	14.6	13.1	-1.0%	6.9%	6.9%	\$1,315,812	14.5	11.0	-1.0%	7.0%	7.0%	\$1,334,882	\$19,070	
346.	Miscellaneous Power Plant Equipment	\$531,739	\$126,543	23.80%	16.8%	25.0	24.0	-1.0%	4.0%	3.5%	\$18,611	15.0	11.5	0.0%	6.7%	6.6%	\$35,095	\$16,484	
<b>Total Martin Combined Cycle Unit 3</b>		<b>\$196,416,050</b>	<b>\$32,551,924</b>	<b>16.57%</b>	<b>4.6%</b>	<b>17.7</b>	<b>16.2</b>	<b>-2.0%</b>	<b>5.8%</b>	<b>6.0%</b>	<b>\$11,861,640</b>	<b>18.7</b>	<b>15.4</b>	<b>-2.0%</b>	<b>5.5%</b>	<b>5.5%</b>	<b>\$10,978,611</b>	<b>(\$883,029)</b>	
<b>Martin Combined Cycle Unit 4</b>																			
341.	Structures & Improvements	\$1,876,926	\$612,306	32.62%	26.3%	25.0	24.0	-2.0%	4.1%	3.2%	\$60,062	25.0	21.0	-4.0%	4.2%	3.4%	\$63,815	\$3,753	
342.	Fuel Holders, Producers and Accessories	\$653,293	\$116,571	17.84%	11.3%	21.0	19.6	-2.0%	4.9%	4.6%	\$30,051	21.0	17.6	0.0%	4.8%	4.7%	\$30,705	\$654	
343.	Prime Movers	\$144,937,527	\$27,303,753	18.84%	7.3%	17.9	16.4	-2.0%	5.7%	5.8%	\$8,406,377	16.5	15.1	-2.0%	5.5%	5.5%	\$7,971,564	(\$434,813)	
344.	Generators	\$29,263,816	\$4,812,821	16.45%	8.2%	25.0	23.0	-2.0%	4.1%	4.1%	\$1,199,816	25.0	21.0	0.0%	4.0%	4.0%	\$1,170,553	(\$29,263)	
345.	Accessory Electric Equipment	\$15,199,687	\$3,538,529	23.28%	9.3%	14.6	13.1	-1.0%	6.9%	7.0%	\$1,063,978	14.5	11.0	-1.0%	7.0%	7.1%	\$1,079,178	\$15,200	
346.	Miscellaneous Power Plant Equipment	\$475,879	\$108,413	22.78%	15.7%	25.0	24.0	-1.0%	4.0%	3.6%	\$17,132	15.0	11.5	0.0%	6.7%	6.7%	\$31,884	\$14,752	
<b>Total Martin Combined Cycle Unit 4</b>		<b>\$192,407,128</b>	<b>\$36,492,393</b>	<b>18.97%</b>	<b>7.8%</b>	<b>18.4</b>	<b>16.9</b>	<b>-2.0%</b>	<b>5.5%</b>	<b>5.6%</b>	<b>\$10,777,416</b>	<b>18.9</b>	<b>15.4</b>	<b>-2.0%</b>	<b>5.4%</b>	<b>5.4%</b>	<b>\$10,347,699</b>	<b>(\$429,717)</b>	
<b>Martin Combined Cycle Site</b>																			
341.	Structures & Improvements	\$43,887,699	\$11,296,655	25.74%	17.4%	22.0	20.0	-2.0%	4.6%	4.2%	\$1,843,150	21.0	18.0	-4.0%	5.0%	4.3%	\$1,890,862	\$47,712	
342.	Fuel Holders, Producers and Accessories	\$5,033,162	\$995,640	19.78%	14.8%	22.0	21.0	-2.0%	4.6%	4.2%	\$213,919	22.0	18.5	0.0%	4.5%	4.3%	\$217,217	\$3,298	
343.	Prime Movers	\$329,079,942	\$62,583,543	19.02%	6.1%	15.0	13.5	-2.0%	6.8%	7.1%	\$23,400,107	16.7	13.5	-2.0%	6.1%	6.1%	\$19,956,341	(\$3,443,766)	
344.	Generators	\$53,740,766	\$8,973,855	16.70%	8.5%	25.0	23.0	-2.0%	4.1%	4.1%	\$2,203,371	25.0	21.0	0.0%	4.0%	4.0%	\$2,149,631	(\$53,740)	
345.	Accessory Electric Equipment	\$38,945,440	\$9,330,825	23.96%	11.0%	15.4	13.9	-1.0%	6.6%	6.5%	\$2,538,774	15.3	11.7	-1.0%	6.6%	6.6%	\$2,582,396	\$43,622	
346.	Miscellaneous Power Plant Equipment	\$5,087,141	\$1,543,501	30.34%	16.8%	14.0	12.5	-1.0%	7.2%	6.7%	\$345,787	13.0	9.5	0.0%	7.7%	7.3%	\$372,943	\$27,156	
<b>Total Martin Combined Cycle Site</b>		<b>\$475,774,150</b>	<b>\$94,724,019</b>	<b>19.91%</b>	<b>8.1%</b>	<b>16.3</b>	<b>14.7</b>	<b>-2.0%</b>	<b>6.3%</b>	<b>6.4%</b>	<b>\$30,545,108</b>	<b>17.5</b>	<b>14.3</b>	<b>-2.0%</b>	<b>5.8%</b>	<b>5.7%</b>	<b>\$27,169,390</b>	<b>(\$3,375,718)</b>	